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HOUSE BILL 892

**47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005**

INTRODUCED BY

Rhonda S. King

AN ACT

RELATING TO CHILDREN; CREATING THE NEXT GENERATION FUND;  
CREATING A NEXT GENERATION COUNCIL; PROVIDING POWERS AND  
DUTIES; MAKING APPROPRIATIONS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 24-19-1 NMSA 1978 (being Laws 1986,  
Chapter 15, Section 1) is amended to read:

"24-19-1. SHORT TITLE.--~~[Sections 1 through 9 of this  
act]~~ Chapter 24, Article 19 NMSA 1978 may be cited as the  
"Children's Trust Fund Act"."

Section 2. Section 24-19-2 NMSA 1978 (being Laws 1986,  
Chapter 15, Section 2) is amended to read:

"24-19-2. PURPOSE.--It is the purpose of the Children's  
Trust Fund Act to:

A. provide the means to develop innovative

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1 children's projects [~~which~~] that address one or more of the  
2 following:

3 [~~A.~~] (1) preventing abuse and neglect of  
4 children;

5 [~~B.~~] (2) providing medical, psychological and  
6 other appropriate treatment for children who are victims of  
7 abuse or neglect; and

8 [~~C.~~] (3) developing community-based services  
9 aimed at the prevention and treatment of child abuse and  
10 neglect; and

11 B. manage next generation fund projects."

12 Section 3. Section 24-19-3 NMSA 1978 (being Laws 1986,  
13 Chapter 15, Section 3, as amended) is amended to read:

14 "24-19-3. DEFINITIONS.--As used in the Children's Trust  
15 Fund Act:

16 A. "board" means the children's trust fund board of  
17 trustees;

18 B. "children's projects" means projects that  
19 provide services to children on a one-time, short-term  
20 demonstration basis, including services to their families,  
21 consistent with the purposes of the Children's Trust Fund Act;

22 C. "council" means the next generation council;

23 [~~C.~~] D. "department" means the children, youth and  
24 families department; [~~and~~]

25 E. "next generation fund projects" means projects

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1 funded from the next generation fund that meet the requirements  
2 for funding provided in Section 5 of this 2005 act; and

3 ~~[D-]~~ F. "secretary" means the secretary of  
4 children, youth and families."

5 Section 4. Section 24-19-4 NMSA 1978 (being Laws 1986,  
6 Chapter 15, Section 4, as amended) is amended to read:

7 "24-19-4. CHILDREN'S TRUST FUND CREATED--EXPENDITURE  
8 LIMITATIONS.--

9 A. ~~[There is created in the state treasury]~~ The  
10 "children's trust fund" is created in the state treasury. The  
11 children's trust fund may be used for any purpose enumerated in  
12 Section 24-19-2 NMSA 1978. All income received from investment  
13 of the fund shall be credited to the fund. No money  
14 appropriated to the fund or otherwise accruing to it shall be  
15 disbursed in any manner except as provided in the Children's  
16 Trust Fund Act.

17 B. The children's trust fund shall be administered  
18 by the department for the purpose of funding children's  
19 projects from the income received from investment of the fund;  
20 provided that none of the income shall be used for capital  
21 expenditures. All income from investment of the fund is  
22 appropriated to the department for that purpose or for  
23 administrative costs as provided in Subsection C of this  
24 section. Grants, ~~[appropriations]~~ distributions and transfers  
25 of money from the fund shall be made only from the income

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1 received from investment of the fund.

2 C. Up to ten percent of the income received from  
3 investment of the children's trust fund may be expended for  
4 costs of administration of the fund and administration of the  
5 children's projects undertaken with fund money. Administrative  
6 costs include per diem and mileage, staff salaries and expenses  
7 related to administration of the fund.

8 D. Disbursements from income credited to the  
9 children's trust fund and appropriated to the department shall  
10 be made only upon warrants drawn by the secretary of finance  
11 and administration pursuant to vouchers signed by the secretary  
12 of children, youth and families or ~~[his]~~ the secretary's  
13 designated representative ~~[for the purpose of funding]~~ to fund  
14 children's projects approved by the board.

15 E. One-half of the money transferred to the  
16 children's trust fund pursuant to Section 40-1-11 NMSA 1978 and  
17 all of the money transferred to the children's trust fund  
18 pursuant to Section 66-3-420 NMSA 1978 shall be deemed income  
19 received from investment of the fund."

20 Section 5. A new section of the Children's Trust Fund Act  
21 is enacted to read:

22 "[NEW MATERIAL] NEXT GENERATION FUND--CREATED--EXPENDITURE  
23 LIMITATIONS.--

24 A. The "next generation fund" is created in the  
25 state treasury. The next generation fund may be used for any

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1 purpose enumerated in Section 24-19-2 NMSA 1978. All income  
2 received from investment of the fund shall be credited to the  
3 fund. No money appropriated to the fund or otherwise accruing  
4 to it shall be disbursed in any manner except as provided in  
5 the Children's Trust Fund Act.

6 B. The fund shall be used to fund next generation  
7 fund projects that are approved by the board. Next generation  
8 fund projects shall:

9 (1) provide positive child and youth  
10 development activities that support physical, mental and social  
11 well-being;

12 (2) promote strong, healthy families and help  
13 to prevent child abuse and neglect;

14 (3) promote community service, leadership and  
15 citizenship; and

16 (4) provide community coordination of child  
17 and youth development programming across the age zero to  
18 twenty-four developmental continuum.

19 C. The next generation fund shall be administered  
20 by the department, and the income from investment of the fund  
21 is appropriated to the department to carry out the purposes of  
22 the fund. None of the income shall be used for capital  
23 expenditures. Grants, distributions and transfers of money  
24 from the fund shall be made only from the income received from  
25 investment of the fund.

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1           D. Up to ten percent of the income received from  
2 investment of the fund may be expended for costs of  
3 administering the fund and next generation projects.  
4 Administrative costs include per diem and mileage, staff  
5 salaries and expenses related to administration of the fund.

6           E. Disbursements from the fund shall be made by  
7 warrants drawn by the secretary of finance and administration  
8 pursuant to vouchers signed by the secretary of children, youth  
9 and families or the secretary's designated representative."

10           Section 6. Section 24-19-7 NMSA 1978 (being Laws 1986,  
11 Chapter 15, Section 7) is amended to read:

12           "24-19-7. DUTIES OF THE BOARD.--At least four times a  
13 year, the board shall meet upon the call of its chairman to  
14 review proposals submitted to the department by public or  
15 private entities and take all action necessary or proper for  
16 the administration of the Children's Trust Fund Act. The board  
17 shall approve or disapprove each proposal submitted and shall  
18 base its decision on the proposal's merit and feasibility, the  
19 best interest of the beneficiaries of the children's project  
20 proposal and the capacity of the children's project's success  
21 or failure for evaluation."

22           Section 7. A new section of the Children's Trust Fund Act  
23 is enacted to read:

24           "[NEW MATERIAL] NEXT GENERATION COUNCIL--CREATED--  
25 MEMBERSHIP--PURPOSE.--

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1           A. The "next generation council" is created. The  
2 board shall appoint ten members who are not employees of the  
3 state who are knowledgeable in the area of positive child and  
4 youth development programs. Members serve at the pleasure of  
5 the board. Members shall select a member to serve as  
6 chairperson of the council. Members are entitled to per diem  
7 and mileage as provided in the Per Diem and Mileage Act and  
8 shall receive no other compensation, perquisite or allowance.

9           B. The council shall evaluate proposed next  
10 generation fund projects and make funding recommendations to  
11 the board. The board shall approve or disapprove next  
12 generation fund projects for funding and transmit those  
13 proposals to the department."

14           Section 8. Section 24-19-8 NMSA 1978 (being Laws 1986,  
15 Chapter 15, Section 8) is amended to read:

16           "24-19-8. [~~HUMAN SERVICES~~] CHILDREN, YOUTH AND FAMILIES  
17 DEPARTMENT--ADDITIONAL POWERS AND DUTIES.--The department  
18 shall:

19           A. [~~shall~~] promulgate [~~regulations~~] rules approved  
20 by the board;

21           B. [~~shall~~] transmit proposals for children's  
22 projects to the board and next generation fund projects to the  
23 council for evaluation and report on the proposals;

24           C. [~~shall~~] enter into contracts approved by the  
25 board to carry out the proposed children's project or next

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1 generation fund project, provided that:

2 (1) not more than fifty percent of the total  
3 funds [~~appropriated~~] distributed for any one fiscal year from  
4 the children's trust fund shall be allocated for any single  
5 children's project;

6 (2) not more than fifty percent of the total  
7 funds distributed for any one fiscal year from the next  
8 generation fund shall be allocated for any single next  
9 generation fund project;

10 [~~(2)~~] (3) each children's project shall be  
11 funded for a specified period, not to exceed four years, and  
12 funds shall not be used for maintenance of ongoing or permanent  
13 efforts extending beyond the period specified, except that a  
14 children's project may be extended once for a period not to  
15 exceed the original, and the board shall approve [~~regulations~~]  
16 rules providing procedures and guidelines for the preparation  
17 and approval of proposals for children's projects and providing  
18 for any other matter the board deems necessary for the  
19 administration of the Children's Trust Fund Act; and

20 [~~(3)~~] (4) no contract shall be entered into if  
21 the department finds it contrary to law;

22 D. [~~shall~~] furnish the board and the council with  
23 the necessary technical and clerical assistance;

24 E. [~~shall~~] adopt standard contract provisions; and

25 F. [~~shall~~] report at least annually to the governor

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1 and the legislature on the progress of its work and the results  
2 of children's projects and next generation fund projects."

3 Section 9. Section 24-19-9 NMSA 1978 (being Laws 1986,  
4 Chapter 15, Section 9) is amended to read:

5 "24-19-9. ACCEPTANCE OF FEDERAL FUNDS AND PRIVATE  
6 DONATIONS.--To carry out the provisions of the Children's Trust  
7 Fund Act, the department may accept any federal matching funds  
8 or grants for children's projects or next generation fund  
9 projects. The department may accept donations and bequests  
10 from private sources for deposit in the children's trust fund  
11 or the next generation fund, as applicable."

12 Section 10. APPROPRIATIONS.--

13 A. Seven million five hundred thousand dollars  
14 (\$7,500,000) is appropriated from the general fund to the  
15 children's trust fund for expenditure in fiscal year 2006 and  
16 subsequent fiscal years to carry out the purposes of the fund.  
17 Any unexpended or unencumbered balance remaining at the end of  
18 a fiscal year shall not revert to the general fund.

19 B. Seven million five hundred thousand dollars  
20 (\$7,500,000) is appropriated from the general fund to the next  
21 generation fund for expenditure in fiscal year 2006 and  
22 subsequent fiscal years to carry out the purposes of the fund.  
23 Any unexpended or unencumbered balance remaining at the end of  
24 a fiscal year shall not revert to the general fund.